SPONSORSONE INC.
(formerly NEW INTERNATIONAL INFOPET SYSTEMS LTD.)

FINANCIAL STATEMENTS

YEARS ENDED OCTOBER 31, 2013 AND 2012

(EXPRESSED IN CANADIAN DOLLARS)

Independent Auditor's Report

To the Shareholders of SponsorsOne Inc.

We have audited the accompanying financial statements of SponsorsOne Inc. (formerly New International Infopet Systems Ltd)., which comprise the statement of financial position as at October 31, 2013, and the statements of (loss) income and comprehensive (loss) income, changes in shareholders' deficiency and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position SponsorsOne Inc. as at October 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other matters

The financial statements as at October 31, 2012 and for the year then ended were audited by other auditors who expressed an opinion without reservation on those statements in their audit report dated February 11, 2013.

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
February 28, 2014

SponsorsOne Inc. (formerly New International Infopet Systems Ltd.)
Statements of Financial Position
(Expressed in Canadian Dollars)

	As at October 31, 2013	As at October 31, 2012
Assets		
Current Assets		
Cash	**$ 7,697**	$ 135
	7,697	135
Long-term investment (Note 6)	**1**	1
	$ 7,698	$ 136
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	**$ 9,980**	$ 8,765
Due to related parties (Note 7)	**218,486**	191,486
	228,466	200,251
Shareholders' Deficiency		
Share capital (Note 8)	**1,586,504**	1,586,504
Reserve	**224,527**	224,527
Deficit	**(2,031,799)**	(2,011,146)
	(220,768)	(200,115)
	$ 7,698	$ 136

Nature of operations (Note 1)
Subsequent events (Note 9)

Approved on behalf of the Board

"Gary Bartholomew", director
Gary Bartholomew

"Doug Beynon", director
Doug Beynon

The accompanying notes are an integral part of these financial statements.

SponsorsOne Inc. (formerly New International Infopet Systems Ltd.)
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Years Ended October 31, 2013	2012
Operating expenses		
Office	**$ 4,910**	$ 2,084
Professional fees	**27,743**	9,944
Operating loss before the following item:	**32,653**	12,028
Revenue (Note 7(b))	**12,000**	10,000
Net loss and comprehensive loss for the year	**$ (20,653)**	$ (2,028)
Net loss per share - basic and diluted	**$ (0.02)**	$ (0.00)
Weighted average number of shares outstanding - basic and diluted	**1,068,400**	1,068,400

The accompanying notes are an integral part of these financial statements.

SponsorsOne Inc. (formerly New International Infopet Systems Ltd.)
Statements of Changes in Shareholders' Deficiency
(Expressed in Canadian Dollars)

	Share capital	Reserve	Deficit	Total
Balance, October 31, 2011	**$ 1,586,504**	**$ 224,527**	**$ (2,009,118)**	**$ (198,087)**
Net loss and comprehensive loss for the year	-	-	(2,028)	(2,028)
Balance, October 31, 2012	**$ 1,586,504**	**$ 224,527**	**$ (2,011,146)**	**$ (200,115)**
Net loss and comprehensive loss for the year	-	-	(20,653)	(20,653)
Balance, October 31, 2013	**$ 1,586,504**	**$ 224,527**	**$ (2,031,799)**	**$ (220,768)**

The accompanying notes are an integral part of these financial statements.

SponsorsOne Inc. (formerly New International Infopet Systems Ltd.)
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Years Ended October 31, 2013	2012
Operating activities		
Net loss	**$ (20,653)**	$ (2,028)
Changes in non-cash working capital balances:		
(Decrease) increase in accounts payable and accrued liabilities	**1,215**	904
Cash flows used in operating activities	**(19,438)**	(1,124)
Financing activities		
Due to related parties	**27,000**	-
Cash flows provided by financing activities	**27,000**	-
Change in cash	**7,562**	(1,124)
Cash, beginning of year	**135**	1,259
Cash, end of year	**$ 7,697**	$ 135

The accompanying notes are an integral part of these financial statements.

1. Nature of operations and going concern

SponsorsOne Inc. (formerly New International Infopet Systems Ltd.) (the "Company") was incorporated under the laws of the Province of Ontario on March 9, 1965. The Company has no operations and is currently seeking new business opportunities. The Company has limited working capital to pursue such business opportunities. To date, activities have been funded by loans from related parties (Note 7). The Company completed a reverse takeover (the “RTO”) by MXM Nation Inc. (“MXM”) on December 19, 2013. The RTO was preceded by a non-brokered private placement by MXM for gross proceeds of $1,250,000 (the “Private Placement” and together with the RTO, the “Transaction”).

The primary office is located at 99 Randall Drive, Suite 2, Warterloo, Ontario, Canada, L2V 1C5.

2. Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (“IFRIC”). These financial statements have been prepared in accordance with IFRS issued by the IASB and IFRIC, effective for the Company’s reporting for the year ended October 31, 2013.

These financial statements were authorized for issue by the Board of Directors on February 26, 2014.

3. Significant accounting policies

(a) Basis of presentation

These financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of these financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates. Of particular significance are the estimates and assumptions used in the recognition and measurement of items included in Note 3(g).

(b) Financial assets

The Company’s financial instruments consist of the following:

Financial assets:	**Classification:**
Cash	Fair value through profit and loss ("FVTPL")
Financial liabilities:	**Classification:**
Accounts payable and accrued liabilities	Other financial liabilities
Due to related parties	Other financial liabilities

3. Significant accounting policies (continued)

(b) Financial assets (continued)

Fair value through profit and loss:

Financial assets are classified as FVTPL when acquired principally for the purpose of trading, if so designated by management (fair value option), or if they are derivative assets that are not part of an effective and designated hedging relationship. Financial assets classified as FVTPL are measured at fair value, with changes recognized in the statements of income (loss).

The Company's financial assets classified as FVTPL include cash. The Company does not currently hold any derivative instruments or apply hedge accounting.

Other financial liabilities:

Other financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired.

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of accounts receivable, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

3. Significant accounting policies (continued)

(b) Financial assets (continued)

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of October 31, 2013 and October 31, 2012, other than cash, none of the Company's financial instruments are recorded at fair value on the statement of financial position. Cash is considered as a Level 1 financial instrument.

(c) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. In addition, long-lived assets that are not amortized are subject to an annual impairment assessment.

(d) Cash

Cash in the statements of financial position comprises cash at banks.

(e) Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted average number of shares outstanding. Diluted earnings (loss) per share is calculated using the treasury stock method. In order to determine diluted earnings (loss) per share, the treasury stock method assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted earnings (loss) per share calculation. The diluted earnings (loss) per share calculation excludes any potential conversion of options and warrants that would increase earnings per share or decrease loss per share.

(f) Investments

Investments in entities not controlled but subject to significant influence are accounted for using the equity method.

3. Significant accounting policies (continued)

(g) Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- management's position that the Company will continue as a going concern; and
- management's position that there are no income tax considerations required within these financial statements.

(h) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against that excess.

Changes in accounting policies

Amendments to IAS 1 Presentation of Financial Statements
On November 1, 2012, the Company adopted IAS 1 Presentation of Financial Statements (amendments to IAS 1), issued by the IASB in June 2011. The amendments require items presented in the statement of other comprehensive income to be categorized according to whether the items will or will not be reclassified to income at a future date. The adoption did not impact the Company's financial results.

Future accounting changes

The following accounting pronouncements have been released but have not yet been adopted by the Company.

(a) IFRS 9 Financial Instruments

In November 2009, the IASB issued, and subsequently revised in October 2010, IFRS 9 Financial Instruments (IFRS 9) as a first phase in its ongoing project to replace IAS 39. IFRS 9, which is to be applied retrospectively, will be effective for annual periods beginning on or after January 1, 2018.

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The standard also adds guidance on the classification and measurement of financial liabilities. Management has not yet determined the potential impact the adoption of IFRS 9 will have on the Company’s financial statements.

3. Significant accounting policies (continued)

Future accounting changes (continued)

(b) IFRS 13 Fair Value Measurement

On May 12, 2011, the IASB issued IFRS 13 Fair Value Measurement (IFRS 13). IFRS 13, which is to be applied prospectively, is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted.

IFRS 13 defines fair value, provides a framework for measuring fair value and includes disclosure requirements for fair value measurements. IFRS 13 will be applied in cases when another IFRS requires (or permits) fair value measurement. Management has not yet determined the potential impact that the adoption of IFRS 13 will have on the Company's financial statements.

(c) Other

In June 2011, the IASB issued amendments to IFRS 7 Financial Instruments: Disclosures. The Company does not believe the changes resulting from these amendments are relevant to its financial statements.

In May 2011, the IASB issued IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities. The Company does not believe the changes resulting from these new standards are relevant to its financial statements.

In June 2011, the IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 19 Employee Benefits, primarily related to accounting for defined benefit pension plans. The Company does not believe the changes resulting from these amendments will have an impact on its financial statements.

4. Capital Management

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future business opportunities, and pursuit of business or asset acquisitions; and
- To maximize shareholder return.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to be capital stock, reserve and deficit which at October 31, 2013 totaled a deficit balance of $220,768 (October 31, 2012 - deficit balance of $200,115).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the year ended October 31, 2013. The Company is not subject to any capital requirements imposed by a lending institution.

(Expressed in Canadian Dollars)

5. Financial Instruments

The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

Credit Risk

The Company is exposed to credit risk through its cash, which is held at a Canadian chartered bank. The Company believes this credit risk is insignificant.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. As at October 31, 2013, the Company had a cash balance of $7,697 (October 31, 2012 - $135) to settle current liabilities of $228,466 (October 31, 2012 - $200,251). Most of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

It is expected the Company will render one invoice annually for consulting fees to the President/Chief Executive Officer of the Company in an amount sufficient to cover its ongoing operating expenses.

Fair Values

The fair values of cash, accounts payable, accrued liabilities and due to related parties approximate their carrying values due to the short-term maturity of these financial instruments.

Sensitivity analysis

The Company does not have significant financial instruments as at October 31, 2013. A one percentage point increase or decrease in the Company's financial instruments would not have a significant impact on profit or loss.

6. Long-term investment

The Company owns 1,000 common shares of International Infopet Systems Inc., a privately owned company registered in Delaware, United States. This holding represents a one-third interest in that corporation.

The Company exercises significant influence over the investee and uses the equity method to account for its investment. During 2004, the investment became permanently impaired and was written down to a nominal amount of $1. Any subsequent increase in value will be recognized only when the investment becomes profitable.

7. Due to related parties and related party transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The transactions noted below are in the normal course of business and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(a) The following amounts were due to related parties:

	As at October 31, 2013	As at October 31, 2012
Dapaul Management Limited (as trustee) (i)	**$ 157,586**	$ 157,586
857710 Ontario Limited (ii)	**32,445**	32,445
Due to former president (iii)	**28,455**	1,455
	$ 218,486	$ 191,486

(Expressed in Canadian Dollars)

7. Due to Related Parties and Related Party Transactions (continued)

(a) (continued)

(i) The fomer president of the Company owns 100% of Dapaul Management Limited. The amount due is non-interest bearing and payable on demand.

(ii) 857710 Ontario Limited is a corporation controlled by the former president of the Company. The amount is unsecured, non-interest bearing, and without definite terms of repayment.

(iii) The amount is due to the former president of the Company. The amount is unsecured, non-interest bearing, and without definite terms of repayment.

(b) During the year ended October 31, 2013, the Company received $12,000, from the Company's former president for consulting services rendered to him (year ended October 31, 2012 - $10,000).

8. Share capital

(a) Authorized

Unlimited number of common shares

(b) Common shares issued

	Number of common shares	Stated value
Balance at October 31, 2012 and October 31, 2013	1,068,400	$ 1,586,504

(c) Other

The Company had no convertible shares, stock options or warrants outstanding during the current or prior periods.

9. Subsequent events

Transaction

The Company completed a reverse takeover (the “RTO”) by MXM Nation Inc. (“MXM”) on December 19, 2013. The RTO was preceded by a non-brokered private placement by MXM for gross proceeds of $1,250,000 (the “Private Placement” and together with the RTO, the “Transaction”).

Prior to and in connection with the closing of the RTO, throughout 2013, MXM completed the Private Placement, which was a non-brokered private placement of common shares in the capital of MXM (the “MXM Shares”) for gross proceeds of $1,250,000. Under the Private Placement, MXM issued 4,166,664 MXM Shares at a price of $0.30 per MXM Share and 4,166,664 common share purchase warrants of MXM (the “MXM Warrants”) that are exercisable to purchase one MXM Share for a period of two years from the date of issuance at a price of $0.30 per MXM Share.

(Expressed in Canadian Dollars)

9. Subsequent events (continued)

Transaction (continued)

Pursuant to the RTO, the Company acquired all of the issued and outstanding MXM Shares, including those issued pursuant to the Private Placement. The acquisition price for each outstanding MXM Share was $0.40 per MXM Share which was satisfied by the delivery of a unit comprised of one Common Share and one half of one common share purchase warrant of the Company that is exerciseable to purchase one Common Share for a period of one year from the date of issuance at a price of $0.65 per Common Share. The Company also exchanged, on a one for one basis, all of the outstanding warrants and options of MXM for warrants and options of the Company. Immediately following the closing, the Company converted $206,000 of outstanding debt owing to its prior President and Chief Executive Officer into 686,667 Common Shares and 686,667 common share purchase warrants. The remaining related party balance was paid in cash. With the completion of the Transaction, MXM has become a wholly-owned subsidiary of the Company and the Company has issued and outstanding 13,422,321 Common Shares, 11,833,432 common share purchase warrants and 1,385,000 options.

NFU Inc. Acquisition

Subsequent to the year, the Company entered into a term sheet to acquire NFU Inc. (“NFU”), a Toronto-based digital marketing and creative agency. The Company intends to issue up to 1,000,000 shares at a price of $0.90 per share for a total of $900,000. These shares will be issued under the following schedule: 20% at closing, 20% six months after closing, 30% on the first anniversary of closing, and the remaining 30% issued eighteen months after closing. The final 30% tranche of shares will be subject to NFU meeting certain performance criteria.

The pending acquisition is conditional on board approval, regulatory approval, due diligence and the negotiation of definitive documentation.

Name change

On January 9, the Company changed its corporate name to SponsorsOne Inc.

10. Income taxes

There are no deferred income tax liabilities.

The Company has deferred income tax assets as follows:

	2013	2012
Deferred income tax asset		
Non-capital losses carried forward	$ 6,380	$ 857
Valuation allowance for deferred tax asset	(6,380)	(857)
Net deferred income tax asset	$ -	$ -

At October 31, 2013, the Company had non-capital losses carried forward of $24,081 which may be utilized to reduce future year's taxable income. These losses expire as follows:

2027	$ 379
2028	304
2029	148
2031	569
2032	2,028
2033	20,653
	$ 24,081

(Expressed in Canadian Dollars)

10. Income taxes (continued)

The income tax benefit of these carry forward non-capital losses has not been recognized in these financial statements as the realization thereof is not considered probable. The Company's income tax expense for each of the years ended October 31, 2013 and October 31, 2012 is $Nil. The Company's actual income tax expense for each of the years is made up as follows:

		2013		**2012**
Loss before income taxes	$	20,653	$	2,028
Income tax (recovery) provision at the combined federal and provincial rates of 26.5% (2012 - 26.79%)		(5,470)		(543)
Tax rate changes		50		-
Taxable benefit not recognized		5,420		543
Actual income tax (recovery) expense	$	-	$	-